population. RBI had appointed an internal working group to examine the issues relating to engagement of such organisations/institutions for providing banking services to relatively under-banked areas. Based on the recommendations of the Group, RBI has issued a circular on 25th January, 2006 permitting banks to prepare a scheme for using the services of credible MFIs and other CSOs for extending certain types of services to the customers. The objective of the scheme is to help low income group population in the country, which has lesser or no access to banking services due to locational problems, illiteracy etc., to access the banking services, with the help of these intermediary institutions, even if there is no bank branch in the area.

Potential Linked Credit for Orissa

3221. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that NABARD is formulating Potential Linked Credit Plan for Orissa;

(b) whether this plan envisages credit gap for 2004-05 and 2005-06;

(c) if so, the details thereof;

(d) whether the State Government of Orissa has asked for bridging this gap; and

(e) if so, the action plan of the Centre to render help in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) to (c) The Potential Linked Credit Plan is prepared for the five year period coinciding with Five Year Plans and then broken into yearly plans. The plans are prepared on the potential of the district to absorb credit. It, however, does not take into factor the limitations of capabilities of implementing agencies involved and the infrastructure bottlenecks in the districts. On account of these limitations the likely credit flow is lower

than potential credit flow. The figures of potential and likely credit flow for the year 2004-05 and 2005-06 for Orissa are given below:—

(Rs. in crore)

Year	Potential Estimated	Likely credit flow
2004-05	3889.35	3065.53
2005-06	5286.57	4319.56

(d) and (e) No such proposal from the State Government of Orissa has been received either by the Government *6f* by NABARD. Credit plan targets are financed by Banks/Financial Institutions in consultation with the State Governments.

Dilution of Stake in 16 PSUs

3222. MS. PRAMILA BOHIDAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to raise about Rs. 10,000 crores by diluting its stake in 16 PSUs;

(b) if so, the details thereof; and

(c) what is the action plan of Government to use these funds for development of infrastructure especially in the backward rural areas of Orissa, Bihar, Jharkhand, Chhattisgarh etc. to improve their economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Government has recently decided to disinvest 5% out of its equity shareholding of 100 per cent in Power Finance Corporation Ltd. (PFC) and also to disinvest 15% out of its equity shareholding of 98.384% in National Mineral Development Corporation Ltd. (NMDC) through 'Offer for Sale' in the domestic market. The disinvestment by Government in PFC would be through piggy-back on the public issue being done by PFC. The receipts on account of partial disinvestment of Government's equity in these CPSEs in Budget Estimates 2006-07 have been assumed at Rs. 3840 crore, although the actual amount raised would depend on the market condition and other relevant factors at the actual time of sale.